Losses of Konkan Railway Corporation

1132. DR. VIJAY MALLYA: Will the Minister of RAILWAYS be pleased to state:

(a) whether it is fact that Konkan Railway Corporation is running under huge loss;

(b) if so, the details of the amount to be paid by the Corporation to various State Governments as royalty; and

(c) the steps taken by his Ministry of convert loss-making corporation into a profitable one

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI BANDARU DATTATRAYA): (a) The Corporation is able to meet its working expenses from the revenue generated. However, on account of provisions required to be made for the financing cost incurred on market borrowings, during the construction phase, and on depreciation, the Corporation is showing a loss in its Balance Sheet. The net loss during 1998-99, 1999-2000 and 2000-01 was Rs. 340 crores, Rs. 385 crores and Rs. 382 crores respectively.

(b) No royalty is to be paid by the Corporation to various State Government under Share Hollders Agreement Clause XIII.

(c) the Corporation has made out a Business Plan enumerating various steps being taken to increase their revenue. These are as follows:

(i) Augmentation of traffic earnings by carrying out a strong marketing drive.

(ii) Marketing its construction expertise by:

- Trying to bid for international contracts for Railway construction.
- Taking up specialised construction works such as highways and tunneling within the country.

(iii) implementation the installation, after testing, of an Anti-Collision Device (ACD) developed by the KRC on the Indian Railway system.